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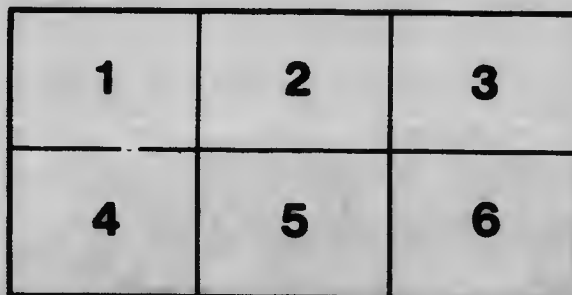
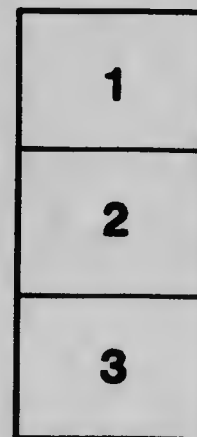
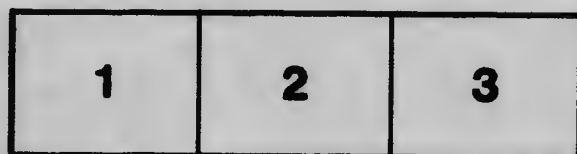
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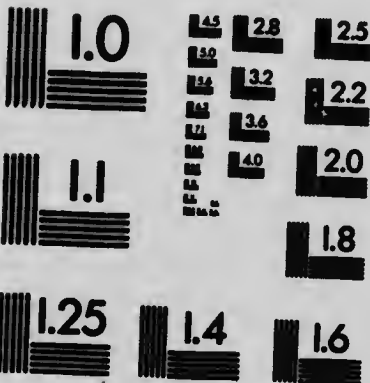
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SPEECH DELIVERED BY
HON. CLIFFORD SIFTON

ON

RECIPROCITY

HOW IT LOOKS FROM LONDON.

If the Canadians are wise they will look closely at these indications before it is too late. It is easy enough for them to get into reciprocity; to get out, if they find it does not suit them, will be a very different matter. Let the smaller country once grow dependent upon the gigantic market of the larger and it will seek to withdraw in vain. Canada rendered a mere economic appendage of its southern neighbor, will in due course have to accept any conditions imposed upon her, if she wishes to avoid ruinous dislocation of her whole industrial system. A remorseless pressure will be put upon her from which the only escape may be by a political association such as most Canadians would at present heartily repudiate. They would do better to draw back while there is still time, and sacrifice the project of some advantages in the higher interests of nationhood and self-independence.

* * * * *

Canada is the mistress of her own destinies. How long will she remain so if she abandons her political or even her economic independence? Territorial absorption apart, can she develop all shades of her many-sided activities when she is compelled to specialise for the American markets? She seeks to be a nation equipped at every point—to have factories as well as forests, a great industrial as well as a great agricultural population, an intelligent and a material identity. How will she stand when a majority of her citizens are kept to growing corn to feed American mouths and cutting timber to feed American paper-mills—when almost everything manufactured, from a new battleship to a new book, comes in from beyond the southern border? At present her position is unique in its advantages. She has all the potentiality of a varied, a complete, and widely diversified national life within her own frontiers, with British capital ready to assist in its development. She has the fullest freedom that any State can enjoy—a self-governing nation, with all the privileges of sovereignty and independence in the amplest measure. And she is at the core of the greatest political agglomeration the world has yet seen. With her unequalled geographical position, astride of the two oceans, commanding the short route between Europe and Asia, she is the central unit of the whole British system, with her share in the Government of a fifth of the human race, with the resources of three hundred million people available to secure her against aggression. But the future holds still greater gifts in store. With her youthful vitality and her rapidly growing population, her material progress, her spirit and energy, she may raise herself, within a comparatively brief period, to the highest position in the Imperial scheme.—London Standard.

HOW IT LOOKED TO SIR WILFRID LAURIE :

"Canada to-day is not in favor of reciprocity. There was a time when Canadians, beginning with myself, would have given many things to obtain the American market, but, thank Heaven, those days are passed and over."—Sir Wilfrid Laurier.

"There was a time when we were wanting reciprocity with the United States, but our efforts and our offers were put aside and negatived. We have said good-bye to that trade and we now put all our hopes upon the British trade."—Sir Wilfrid Laurier.

"Canada has opened her doors to Great Britain in the hope that she would ultimately receive similar preferential treatment from the mother country."—Sir Wilfrid Laurier.

"But I have found in the short experience during which it has been my privilege and my fortune to be placed at the head of affairs, by the will of the Canadian people, that the best and most effective way to maintain friendship with our American neighbors is to be absolutely independent of them."—Sir Wilfrid Laurier.

THE
CANADIAN NATIONAL LEAGUE

Z. A. LASH, K.C., LL.D., Chairman.

Secretary:

ARTHUR HAWKES, 314 McKinnon Building, Toronto.

OBJECTS:—To oppose the adoption of the proposed Reciprocity Agreement between Canada and the United States of America, and to support such measures as will uphold Canadian nationality and British connections; will preserve our fiscal independence and will continue to develop our present national policy of inter-provincial and external trade under which the Dominion has achieved its present prosperity.

The Executive invite all who are in sympathy with its objects to join the League, and to send the Secretary their names and addresses of persons to whom the League's literature will be acceptable.

Reciprocal Trade with the United States

FOREWORD AND AFTERWORD

Since delivery of the speech which is printed below there has been much further discussion of the subject which has served to confirm the conclusions previously reached. A few of the important points connected with the subject as it affects Western Canada are summarized herewith.

The argument that the Canadian North West farmer would get a better price for his wheat seems to be abandoned. It is clear that there was no foundation for it. It is also clear that the effect of the Treaty would be to assimilate the trade to the American wheat trade and largely lose Canadian control of the traffic, thus making it impossible to keep the grades pure or to effectively regulate the business.

FOUR WESTERN NEEDS.

The pressing needs of the North West are:—

1. The construction and operation of the Hudson's Bay Railway by the Government.
 2. The establishment of a proper commission to control the grading and transportation of wheat and put the export wheat in a pure state on the English market.
 3. The establishment of a sample wheat market.
 4. The development of a steady and reliable market for animal products by the establishment of chilled meat industries and the extension of meat packing industries.
- The cities and towns of Western Canada can be built up mainly by the industries which are natural to a great agricultural region, namely, milling, meat packing, etc. They are absolutely essential to the prosperity of the country, they furnish profitable employment on a large scale, cause great growth of the cities and towns, which, in turn, make a great home market. Winnipeg should in fifteen years have in and around it five hundred thousand people. Other towns and cities should grow in proportion. The market for farm produce thus furnished would be enormous. The by-products of the industries, especially milling, are valuable, and, in fact, necessary if mixed farming is to be made profitable.

TRUST WILL DOMINATE.

The express object of this Treaty is to facilitate the sale and exportation of the raw products of the farm by the shortest channels to American markets. Permanent agricultural prosperity seems to be quite impossible if this system is followed. There is little doubt that it will result in the

young cattle being taken to the corn states for feeding purposes. It looks as if the meat trust will dominate the country, dictate prices and ship back its finished products. The trust itself will be absolutely removed from Canadian control.

In Ontario, at the present time, through the establishment of industries, the pork packers pay better prices to the farmers than are obtainable south of the line. Similar markets can be built up in the West.

BARLEY NOT IMPORTANT.

There does not seem to be any sufficient foundation for the idea that there is a profitable market in the United States for any large amount of Canadian barley. The total production of American barley for all purpose in 1909 was 140,000,000 bushels. A comparatively small part of it was No. 1 malting barley. It is the demand for good malting barley which keeps the price up. If there was an unlimited demand for barley at present prices the western American farmers would increase their own output, but they apparently limit the output in obedience to the law of supply and demand. If any considerable proportion of Canadian North West farmers went into barley and shipped it to the United States the market would go to pieces at once. It would be a good thing for the brewers, but would not help the farmers.

As a matter of fact, when you analyse the effects of the Treaty it appears everywhere to result in a good thing for some American Trust or Railway, while the advantages to Canada and Canadians are largely illusory.

The whole basis of the commercial and industrial growth of the West is its grain and cattle. If they are given away to be worked up at a profit south of the line, how is it expected that the country is going to be developed as it should be, and permanently retain its prosperity?

DUTY WOULD HAVE STAYED.

The statement that the United States can take off the duty from wheat and cattle themselves, if they wish to, is fallacious. The American millers and packers would like to do it, but the farmers of the Middle West and North West states know that it will injure them and turn into their markets the products of the Canadian North West. There would be no chance of success at present for a bald proposition to take the duty off wheat and cattle going into the

United States. The only reason it is seriously considered is that it is combined with other concessions contained in this Treaty. If the Treaty drops it is unlikely that for some time to come we shall hear anything of free wheat and cattle. By that time our country will be sufficiently developed to stand on its own feet. That is exactly why the large commercial interests of the United States are pushing this Treaty. The plain fact is that the great trusts of the United States want to get at Canada and exploit it and by this Treaty we are helping them to do it.

The young men of Western Canada who expect to live there and see their country prosper and afford them an opportunity of making a livelihood ought to stand together and fight against this proposition.

There are just two possible policies for Canada, one is Commercial Union with the United States, and the other is Commercial Independence. We are making our choice now.

If we decide for Commercial Union we shall henceforth be dominated by the United States to the entire exclusion of British interests.

CANNOT FOLLOW LEADER.

House again in Committee of Ways and Means.

Hon. CLIFFORD SIFTON (Brandon). Mr. Chairman, I agree with what has been said by members of the House who have preceded me respecting the very great importance of the question we are now discussing. I have found it the most important question which has come before this House since I have had the honour of being a member of it, and when I say frankly to the committee that the result of my investigation has been to lead me to the conclusion that I cannot follow the leader of the party with which I have been associated all my lifetime must necessarily be of an extremely painful character. With the members of the Government I am and always have been upon the best and closest possible terms politically and socially. Some of the members of the Government I regard as my closest personal friends. And, away back in the county of Brandon there are a great many men who for 23 years have been my supporters, who, I am quite satisfied, will find great difficulty in understanding why I find it necessary to vote against the party with which they and I have been identified so long.

SATISFIED IN 1897.

It will be readily understood that my convictions upon the subject are extremely strong. Twenty years ago the Liberal party had as its policy a policy of unrestricted reciprocity. As a young man, young in public life at that time, I followed the leaders

of my party; I took an active part in that election. There are, I think, some gentlemen in the House here against whom I spoke in that campaign, and to the best of my ability I endeavoured to convince the electors whom I addressed that the policy of my party was a wise and a prudent policy. I am free to say, Mr. Chairman, that almost before the campaign was over I had succeeded in convincing myself that we were wrong. From that time on my views have undergone, perhaps a gradual, but a steady and a certain change. When the tariff was revised in 1897 I was satisfied that the tariff as we adopted it at that time represented a good policy for the Dominion of Canada and possibly the best policy we could adopt. And, ever since 1898, when under the Joint High Commission efforts were made to secure some kind of reciprocity with the United States, my conviction has been strengthening in that direction. A couple of years ago I had the honour of delivering an address in New York in the Chamber of Commerce of that great city, and I indicated pretty clearly at that time, though to a somewhat hostile audience, what my views are.

NOT SPASMODIC OPINION.

Now, I am well aware, Mr. Chairman, that it is a matter of possibly small concern as to when and how my opinion has been arrived at, but I will ask the House to pardon me for mentioning the facts which show that my opinion on this subject is not a spasmodic or suddenly formed opinion, but is the mature conviction which comes to me as the result of something over twenty years of pretty close contact with the affairs of Canada. Some of my newspaper friends have intimated that there was some mystery about my opinions upon this subject. I have not sought to make any mystery of them. I have perhaps avoided discussing the subject with my political friends because I did not desire that any of them should feel that I was endeavouring to induce them to adopt my opinions, and I did not desire to say anything to any of my Liberal friends except what I was prepared to say in the presence of the members of the Government and in the presence of the House. But what I have to say about that is this: We have in the Dominion of Canada pretty strong party ties. We do not leave our party for small reasons. We do not leave our party because it happens to do something that we do not at the moment approve of—because it builds a bridge or a court house or a public building or even a railroad that we do not think necessary at the time. We have a pretty strong idea with regard to party allegiance, and my conviction is that it is a good thing and contributes to the stability of government that we have that idea.

IT WAS VERY DIFFICULT TO OBTAIN INFORMATION.

MUST RETAIN SELF RESPECT.

But it must be remembered that the reason we adhere to a political party is that party in general represents the principles that we think out to be applied to the government of the country; and when one's party is led to apply principles which are of fundamental and far-reaching importance, affecting the whole national structure, and one feels that he cannot conscientiously adopt or follow those principles, then, Mr. Chairman, his party allegiance is necessarily dissolved, and if he desires to retain his own self-respect, it becomes absolutely necessary for him to decline to follow that of which he does not approve. That is the position in which I find myself to-day; and, however painful the process may be, I take the only course which I can take and retain my self-respect.

Getting away from that for a moment, let me say a word or two in regard to the conduct of the debate by the Government. I think the House has a little fault to find, justifiably, with my hon. friends who have charge of the debate for the Government. There has never been, since 1879, so important an alteration in the tariff as proposed in these resolutions; and when alterations of an extensive character are made, it has always been customary to make very thorough and complete inquiries of the most expert and detailed character. Otherwise it is impossible that those who are acting should really know what they are doing. When other countries undertake work of this kind, such inquiries are made. I wonder if the House is aware of the fact that when the last German revision of their tariff was made, 20,000 experts were employed for the purpose of collecting and collating information for the benefit of the Government and for the benefit of the parliamentary body which subsequently had to act upon their report.

FULL INFORMATION NEEDED.

In England the Board of Trade experts act. Here we have generally had a collection of detailed information which was available when the debate came on in the House, and which the ministers in charge gave for the benefit of the members of the House. Now, I think we should have had the information which is necessary for the discussion of this question given us by the Government. I think we should have had a full and clear statement as to the effects of this treaty upon our relations with the favoured nations. Members of the Opposition have, by questioning, elicited from our hon. friends a good deal of information; but I venture the opinion that there is not a single member of this House outside of the Government who now knows whether he is in possession of the whole information or not. Then,

we should have had, I think, some comparative statements of prices. This whole question relates to markets and to prices. It would have been a comparatively small matter for a body of experts employed by the Government to have got for us a comparative list of the prices of the principal commodities, in the United States, in Canada, and in the other countries concerned. But we have not received it.

DID NOT ARGUE MERITS.

Neither have we the information, unless we dig it out of the blue books for ourselves, a great labour, and sometimes with the liability to make mistakes, as we have had evidence once or twice in the debate already, with regard to the production of the various commodities by the countries concerned. Generally this has been done, and generally some member of the Government has made it his business properly to place before the House the case for the Government for the proposals that are made. My hon. friend the Minister of Finance never speaks except with that ability and cleverness which we all admire, and it was quite as much in evidence in the address that he gave us in introducing these resolutions as it ever was in this House. But I do not think my hon. friend would claim that in that address he undertook to argue the merits of these proposals in detail. Neither did my hon. friend the Minister of Customs. If the committee desires to know just what I mean by this criticism, let them look at the speech which the Finance Minister delivered on the Grand Trunk Pacific resolutions, or at the speeches which my hon. friend the Minister of Customs has often delivered in this House in the budget debates, and they will see the kind of a case which our hon. friends can make when they desire to do it and have the material. I would conclude that either our hon. friends in the Government have not made the investigation and do not possess the facts, or else that the facts do not bear out the contention which they put forward.

RECIPROCITY HAD BEEN ABANDONED.

Before going into this question of prices, I desire to say that I dissent altogether from the proposition that everybody in Canada has been in favour of reciprocity with the United States for the last forty years. I do not know of any warrant at all for the statement that both the parties, or that one of the parties, for the last forty years has been in favour of reciprocity. There can be no doubt that the Liberal party was in favour of reciprocity twenty years ago; there can be no doubt that in the platform of 1893 there was what might be called a look at reciprocity; and there can be no

doubt that later on, I think it was in 1898, under the Joint High Commission, the right hon. leader of the Government attempted to get some measure of reciprocity from the United States. But there is equally no doubt that when the Joint High Commission ceased to act, the right hon. gentleman expressly made his position clear, and that in the general election of 1900, in the election of 1904, and in the election of 1908, there was no mention whatever of reciprocity by either of the parties. As a member of the Government in the first two of those elections I should be credited at least with having a general idea of the policy of the Government of which I was a member, and I do not think there would be any individual in Canada more surprised than I if I had been told in either of those elections that it was a part of the policy of the Government to seek reciprocity.

NO MANDATE FROM THE PEOPLE.

If anything was clearer than another in connection with the policy of the two political parties in those three successive general elections, it was that neither of them made any claim to advocate the policy of reciprocal trade relations with the United States.

I agree with what has been said that the Government has no mandate to make these proposals. I do not mention that point because of a desire to fill up the cup or to aggravate the argument against my hon. friends, and I furthermore say that I think oppositions very often say what can hardly be supported on grounds of reason or law in opposition to what is done by Governments on the ground that they have no mandate. But I do not think the principles which often apply, apply in this case. We have not, it is true, a system of government by delegation. Our Governments are not elected to do specific things: that is not the nature of our constitution. We are elected under a very wide system of parliamentary responsibility, and great discretion is vested in the House of Commons and in the Government, which is the executive committee of the House of Commons, in connection with the transaction of new business, business which was not discussed when they were before the electors.

DISCRETION IS VESTED.

They may do a great many things that were not discussed when they were before the electors, but they may not constitutionally or properly do everything, and I venture to say that when the fiscal policy of a country has been thoroughly canvassed and settled, discussed, debated and approved in the year 1900, discussed, debated and approved in the year 1904, discussed, debated and approved in the year 1908, there is no constitutional warrant for the members of

the Government reversing that policy radically without any consultation and practically without the knowledge of the people. There is a discretion vested in the Government, there is a discretion vested in the House of Commons.

But, Mr. Chairman, it must be remembered that the discretion that is exercisable by those who occupy important positions under our form of government is not an arbitrary personal discretion, it is a constitutional discretion which must be exercised in accordance with principles of the constitution, and the constitutional rights of the people we represent.

REVERSING WHOLE POLICY.

I want to say, not for the purpose of making another point against my hon. friends, but I want to say that I do not believe, speaking from my own experience and from the experience of many men whom I have met in various walks of life and largely members of the Liberal party, I do not believe that in the recent history of Canada anything has happened which has given to the thinking people of Canada so painful and so sudden a shock as the sudden realization that four or five gentlemen who, by reason of their ability, their years of service and their high position in their party, are in control of the affairs of the dominant political party, can suddenly, of their own motion, without discussion, without debate, without the knowledge of the country, commit the country to a radical change of fiscal policy. That is not, I am bound to say, the doctrine of constitutional government as I was taught it in the Liberal party, and I do not think that there could possibly be a more dangerous innovation.

Sir, what we are asked to do in these resolutions is to reverse the fiscal policy of the Dominion of Canada. It is interesting to note, although there has been very little discussion of that point, what is the policy which we are asked to reverse and why we are asked to reverse it. The policy was adopted in 1897 after the election, which resulted in the right hon. the present leader of the Government (Sir Wilfrid Laurier) taking office. That tariff was described by its own friends, of whom I was and am one, as having first for its most outstanding feature the British preference; second, a readjustment of duties which largely reduced the duties upon articles commonly used by the farming community, and, third, a substantial reduction in the duties on the raw materials of manufacturers. Now, it may frankly be said that the system of protection was continued by that tariff; of that there can be no possible doubt, and it must further be said quite frankly and we can say it without disturbing ourselves particularly at this distance of time—that the tariff

THE FARMER SELLS MUCH DEARER THAN HE BUYS.

of 1897 did not fully implement all the promises or the suggestions which we, the members of the Liberal party, had made in regard to our future policy when we were in Opposition.

OFFICE MAKES DIFFERENCE.

But, Mr. Speaker, the policy which we set forth in the tariff of 1897 was deliberately adopted. All these matters were canvassed and considered before we adopted it. We found, as people generally find when they take office, that there were some things that they thought they could do that they could not do, some things that they intended to do that would do harm to some people, and would not do any good to anybody, and so there were many things that perhaps might have been expected that were not done; but the tariff of 1897 was deliberately adopted after full and careful consideration, and we went to the country in 1900 upon that tariff and submitted it to the judgment of the people who had put us in office. We were open to attack then on the ground that we had not fully carried out our pledges, both by our opponents and by our political friends, and, speaking for myself as having conducted largely the discussion on behalf of the Government in a very large section of the country which was committed to my charge, I say that no phase of that subject was left untouched, it was discussed and rediscussed at every campaign meeting that was held.

BEST TARIFF POSSIBLE.

We placed the matter before the people, we explained the reasons for the actions we had taken, we submitted those reasons to the people, we submitted ourselves to their judgment, and the result was that their judgment upheld us, and that the tariff was approved. It was my opinion then, whatever that opinion might have been worth, little or much, that it was the best tariff that we could adopt. It was only an opinion, but as time has gone on, and that tariff policy has been practically unchanged in any very important particular since 1897, I have become thoroughly and completely convinced that the tariff policy which we adopted at that time, which embraced the principle of moderate protection applicable to all classes of the community, is the best policy that the Dominion of Canada can adopt, a policy that it will be most unsafe and most unwise to radically change. One feature, an especially important feature, of that policy was the British preference. The British preference has been discussed a great deal. Some of our friends from the Opposition side of the House have sought to minimize its effects because we were buying largely from the United States, but I do not think that that argument is a good or a sound argument. The imports from Great

Britain under the British preference have grown from twenty-nine millions odd in 1897 to ninety-five millions in 1910; the increase has been 320 per cent., and it is no answer to the argument that that preference is an effective preference to say that for other and very special reasons we are importing large quantities of goods from the United States for the benefit largely of our own manufacturers.

NO SOUND BUSINESS WISDOM.

The British preference, Mr. Chairman, is a substantial preference. It is suggested that it is likely to be substantially increased, and on that point, while I am dealing with the general question of policy, I desire to express myself clearly and fully. Nobody was a more enthusiastic supporter of the British preference when it was adopted than I was, but I think that there are limits to the extent to which we can go even in cutting the tariff of Canada in favour of the manufacturers of Great Britain as against the manufacturers of Canada. And I am not disposed to say that I would support a substantial increase in the British preference, made, as I understand it, at the expense of deserving Canadian industries for the purpose of putting back into the hands of Great Britain trade which, by this reciprocity arrangement, we are taking away and giving to the United States. I cannot see that there is any sound business wisdom in that operation. I cannot see that there is any possible ground for taking such steps as will result in the closing up of Canadian factories doing business at a small margin of profit, so long as they are furnishing their goods to the people of this country at reasonable rates.

CANADA HAS PROSPECTS.

What have been the results of the policy which we are following? The figures which indicate the great progress and prosperity of Canada have been quoted in this House ad nauseam. I should not repeat them here. We know how the population has grown; we know how our public revenue, our foreign trade and the deposits in our banks have grown; we know that in the last twelve or fifteen years the Dominion of Canada has prospered more abundantly than any other country on the face of the earth. We know this, further, that, man for man, the body of the people of Canada are better off than any other population of similar numbers that we can point to. Our farmers are prosperous; our labourers are well paid; there is no unemployment in Canada—almost an unknown thing in any country of the extent and population of ours—there is practically no poverty, except what is due to drink, vice, sickness or other cause which does not depend at all upon the prosperity or want of prosperity of the country; we

LOCAL MARKET TAKES 80 PER CENT. OF PRODUCE.

are receiving an enormous immigration; there is a demand for every man who comes in the shape of a labourer, and still an insistent demand for more labour; and there is a rapid development of our resources. And there is one thing which is of the utmost importance in the condition of our business position, and that is the enormous growth of the home market, which has been built up in Canada during the last ten or twelve years, and which, in my judgment, accounts more than anything else for the steadiness of prices which our farmers are receiving for their products.

PROSPERITY IS HEALTHY.

Now, is this prosperity that we are enjoying, a sound prosperity? Very often the charge is made, when a country is prosperous, that its prosperity is unsound, that it is a hot-house growth; and that charge is almost always made if the country is working under a protective system. And that charge is generally true if the protection is excessive or not properly adapted to the wants of the community. Now, it is possible—by reason of the fact that an exhaustive enquiry has been made of an economic character under the direction of one of the members of the Government—to collate a few facts which show conclusively what our position in that respect is. A volume has been issued under the direction of my hon. friend the Minister of Labour (Mr. King), dealing with the subject of wholesale prices, which work I regard as perhaps the most valuable contribution to the economic literature of Canada that I know of. That volume, setting forth the statistics of wholesale prices, enables us to follow accurately the movement of prices which affect the well-being of the various classes of the community.

GREAT CHANGES IN PRICE.

In the consideration of this question, the Minister of Labour and his expert assistants took as the basis for comparison, the decade which runs from 1890 to 1899. I find by this report, that, in the year 1909, the prices of the commodities to which I shall refer, have risen by the amount which I shall give as compared with the average of the decade from 1890-1899:

Grain and fodder, including thirteen selected standard commodities, have risen in value 49.9 per cent.; cattle and cattle products, hogs and hog products, sheep and sheep products, fowl and turkeys, have risen 48.6 per cent.; dairy products have risen 33 per cent. Now, for the purposes of comparison, let us make a different division: Crude farm products have risen 33.3 per cent.; manufactured farm products have risen 34.1 per cent.; average for crude and manufactured products of 35.7 per cent.

This is what the farmer sells. Now, con-

sider what he buys. He buys imported foods, woollen goods, cotton goods, boots and shoes, metals and implements. The average increase of these commodities are as follows: imported foods decreased 4 per cent.; woollen goods increased 23.3 per cent.; cotton goods increased 25 per cent.; boots and shoes increased 25 per cent.; metals and implements increased 2.4 per cent.; an average of all these of 14.3 per cent.

HOME MARKET TAKES 80 PER CENT.

Thus, we see that the staple lines of goods which account for at least nineteen-twentieths of the average farmer's expenditure, have increased 14.3 per cent., while the goods which he sells have increased 35.7 per cent. There you have an absolutely conclusive demonstration of the position of the two classes of the community. There you have proof of the fact that the urban community is not living at the expense of the farmer, but the farmer himself is getting more than his share of the general prosperity of the community. So, then, we have prosperity, soundness, and—what else? Independence; an independent market for everything we raise and everything we sell. The local market of Canada takes from 80 to 90 per cent. of everything raised in Canada by our farming population. Where do we send the rest? We send it to the great, free, open market of Great Britain, from which market nothing but our own foolishness can possibly exclude us. So, we have prosperity, soundness and absolute independence in our markets.

WHY REVOLUTIONIZE?

Now, the proposition is made that we revolutionize the fiscal policy under which these results have been attained. And what will be the effect of this proposed revolution in our fiscal policy? I do not intend to overstate it or to say anything which can possibly be regarded as overstating it. But I am surely within the mark, when I say that there will be a very great dislocation and disturbance of business, that there will be individuals who will suffer very great loss, and that even if these individuals succeed in rectifying their position, still, the disturbance for considerable portions of the community will be of a very serious character. As to the general progress of Canada, the production of Canada is so enormous, the immigration is so great, the impetus we have received so strong, the development of our resources so rapid, that no possible mistake of fiscal policy can prevent this country making enormous progress in the future. Nevertheless, the effects will be serious. Let me enumerate what I think will be a few of those effects.

CANADA HAS ONLY TO SIT DOWN AND WAIT AWHILE.

Some industries will be destroyed—there can be no doubt about that. What reason can be given for drawing your pen through an item of the tariff and thereby shutting up an industry which is not accused of combining as against consumers, of charging illicit prices, or of any other evils?—what reason there can be for selecting that industry and wiping it out of existence, I do not see. I am bound to say that it does not appeal to my common sense. I think that the meat packing industry of this country will be destroyed. I have given that subject a good deal of consideration. I thought when I saw and read carefully the memorial of the packers that the meat packing industry would be uninjured, and I am prepared to say now that if this treaty goes into effect, and continues in effect for any length of time, the big packing industry of the Dominion of Canada will be wiped out. There is no more chance of the meat packing industry standing against the beef trust of the United States than there would be of my standing up against this building if it fell upon me. That is precisely the position in which the meat packers will be put.

HARM TO FRUITMEN.

I shall not say anything about the fruit and vegetable growers. They will be injured. Their case has been stated by men who know vastly more about it than I do. But I call the attention of my friends in the Government to the fact that my hon. friend from Yale-Cariboo (Mr. Burrell) made before this House a full and careful presentation of the case of the fruit growers and vegetable growers; no fairer, no better, no fuller case was ever presented to this House while I have been a member of it, and no answer of any kind has been attempted in connection with that subject. You ask me why I do not support this proposition. Surely, Mr. Chairman, if I had the intelligence to hear and understand a case of that kind as presented and no answer made, I must come to the conclusion that no answer can be made.

AND QUAKER OATS.

There will be other large industries affected. There is an enormous industry in existence in the town of Peterborough, the Quaker Oats establishment. The president of the company has given an interview, and I have taken the trouble to have the interview verified, because it is not always safe to proceed upon what we see in the newspapers, with all due regard to my journalistic friends. I have taken the trouble to verify that interview with the president, speaking on behalf of the Quaker Oats Company, which is one of the very largest factories in Canada, and one of the largest con-

sumers of farm produce in Canada, consuming, I believe—I speak subject to correction—40 carloads of farm produce per day. This institution manufactures in the town of Peterborough largely for export, the best possible kind of factory for us to have. It takes the farm produce, it grinds it up, ships it to foreign countries, collects the money, brings it back, and it goes into circulation.

We need no better industry for a farming community than the Quaker Oats industry of Peterborough. Now, eighty per cent. of the business of this establishment is done for export. The president of the company says that in the conditions that will exist under the proposed changes in the tariff it will be more convenient and economical for them to manufacture in the United States for export. Their operations in Peterborough, therefore, will be curtailed sixty, seventy, or eighty per cent., with the result that the Dominion of Canada will lose accordingly. Now, I do not at all profess to be able to express an intelligent opinion respecting the business of the Quaker Oats Company, but I call attention to this fact, that these people are not Canadian manufacturers kicking about the duty being taken off when they are manufacturing for the home market. It is easy to understand why a manufacturer would object to a change in a case of that kind. But there is no reason for this company saying that this agreement is against them if it is not. They are not unfriendly to our negotiations, and there is no possible reason why we should not accept their statement as being given in good faith.

WILL HALT ENTERPRISE.

Will this proposition assist in transferring American capital to the construction of factories in Canada, which has been going on in Canada for several years past at a very rapid rate? Surely we cannot conclude that it will. These factories have been established because it was thought that the fiscal policy of Canada was settled, that we had settled down to a definite fiscal policy, and people come along and build factories here, and build factories there, thinking they are perfectly safe. I have no doubt that those who are engaged in putting up factories will continue and complete their work; they cannot afford to do anything else. But is it reasonable to suppose that many business men, with money to invest in factories, will readily decide to do so unless they get some definite assurance that what has happened in this particular case is not going to happen again? I do not see how they can get the assurance; I do not see how it will be possible for parliament to prove that what has been done in this case will not be done in every case in which

ministers, with the best motives, may see fit to do it.

PULP AND PAPER.

Take the question of pulp and paper. The province of Ontario and the province of Quebec have decided, in their wisdom, that it is a good and patriotic policy for them to insist upon their pulp being manufactured at home. I am aware that some gentlemen who are of estimable character and good information have said that it is not a wise policy, but I do not believe there are many people in Canada who would agree with them. I believe that there is no policy, no item of policy which has been followed by any of the Governments of Canada of late years which has met with more universal approval than the action of the Government of Ontario, and later of the Government of Quebec, in deciding upon the conservation of their resources by securing the largest possible revenue and benefit from the various resources which they possess.

AGAINST THE PROVINCES.

Well, that was the position. It is known of all men that the United States people would like to get cheaper paper made from Canadian pulpwood. Now, if there was anything that was perfectly clear in connection with our tariff relations with the United States, and if there was anything perfectly clear in connection with the paper and pulp question, it was that all the Dominion of Canada had to do was to sit down and wait, and leave the subject severely alone. That obviously was all that ought to have been done. We have not done that. We find this clause introduced into the treaty. What does it say? If it means what our negotiators intended it to mean, it means this, that there is a bonus put upon the abrogation of the regulations which the province of Quebec and the province of Ontario have made. It does not mean that the regulations are abrogated, because this parliament has no power to abrogate them; but it meant that we put a bonus upon their abrogation, and that is the worst possible thing that we can do.

WON BRITISH MARKET.

Take this question of our perishable products that we send to Great Britain. My hon. friend from East Grey (Mr. Sproule) dealt with that. He is familiar with the subject, and my hon. friend the Minister of Agriculture (Mr. Fisher), who, I understand, is to follow me, is more familiar with it, perhaps, than any man in the House. But it is a fact that for years there was difficulty in finding a market for our perishable products. The country went to work and educated the farmers to prepare their products for the British market, instituted cold storage, under the Department of Agriculture, upon steamships, induced the steamship companies to put it in, provided for connections in Great Britain, and did

everything possible at great labour, trouble and expense, extending over a period of nearly twenty years, for the purpose of opening up markets for these products in Great Britain.

The country succeeded entirely. We are sending those products to Great Britain now, to a great, stable, safe, free market, from which we have never been excluded, a market that is improving all the time, a market in which we are finding fresh extensions and fresh points of advantage every year. What do we propose to do? We propose to ship our stuff to the United States instead and to throw away all the advantage of all the work that we have done, the whole of the cold storage facilities upon the steamships crossing the Atlantic provided for in past years, to break down the business connections we have made, to allow our competitors to go in and take that market, buttress it around in such a way that we can never get into it again, and put ourselves in dependence upon the markets of the United States.

FRIENDLY HOW LONG?

How long will the United States market remain open? Nobody knows. It may be five years. Nobody knows. A year ago the United States were brandishing a club over our heads and threatening to impose the surtax upon our goods—only one short year ago. Now, they say that the United States is friendly. Well, perhaps it is. What will it be in a year from now? Does anybody know? Nobody knows. The United States is at the present time, I am told, abrogating the Blaine treaties of reciprocity which were made with the Latin republics a few years ago, without even the courtesy of negotiation or discussion as to the reasons for the abrogation of those treaties. How much better will our position be at any time when an occasion for irritation may arise? There are dozens of things which might happen to cause irritation between the United States, Canada, and Great Britain. I could mention to my right hon. friend who leads the Government, if I desired to do so, but I do not desire to do so—it is a matter within everybody's knowledge—some things that might cause irritation between the United States, Great Britain, or Canada, not serious enough to have important international consequences, but serious enough to make it very easy for a political party in the United States to court popularity by doing something which might be of an unfriendly character to Great Britain and Canada. Then, when our market is closed, when we have shut ourselves out from Great Britain, what is the position? Sir, we are putting our head into a noose.

FARMERS' PRICES.

What are the compensations? It is said that the farmers will have better prices

FARMING CONDITIONS IN THE EAST AND WEST.

and better markets. It is very difficult for a private individual to make an exhaustive examination of prices. He can only be expected to go into a limited number of subjects, and his information must necessarily be limited. I have made as careful an examination as I could of the prices of the various staples which the farmers of Canada sell in the open markets, and I have before me the result of that examination. It is not necessary that I should enter into any considerable number of details, but will give you a few of the conclusions which appear to be absolutely established by the facts. First, I will take hogs, one of the most important products of the province of Ontario. The average price in the provinces of Ontario and Quebec is better than it is in the United States. As far as cattle are concerned the prices are variable, and as far as eggs are concerned the prices of the better grades are higher, and of the other grades, lower. It is said that the market for lambs will be good if we get reciprocity with the United States. From the 1st of December up to the present time lambs have been cheaper in Chicago than in Ontario. The best creamery butter sells at a higher price in the United States, but all the lower grades are cheaper, and it seems to be quite clear from an investigation of the market conditions by those who are familiar with the subject, that we shall lose our local market for butter and eggs—in the case of eggs to the United States and in the case of butter to countries like New Zealand, Denmark and possibly Anstralia.

HAY IS HIGHER.

While we may get an advantage by selling a small portion of the higher grade of the product to the United States, we shall lose upon a great portion of the lower grade, which, as everybody knows, is the greater proportion of the product. In poultry the higher grades will be higher and the lower grades will be lower. Hay is the one product that is substantially higher in the United States than in Canada. Barley is higher and oats lower. Looking over the whole case, it is not possible to figure out any general and specific advantage to the farmer in getting these markets even if we take prices as they are without having any reference to the general effect upon the market which may take place in other ways. As to the quantity, everybody knows that there is a perfectly good market for all that our farms produce. There is no glut in the market of Canada if the produce is reasonably prepared, and if it is not reasonably prepared for the market then the United States market will be of no assistance to the man who allows himself to be in that position.

AGAINST MEAT TRUST.

Then, there are some general features of

the case which require to be considered. This, Mr. Chairman, is a conclusion which you cannot possibly escape. Under this arrangement, which means free trade in farm products, the markets for farm produce will be absolutely dominated by the United States and favoured nation countries. There can be no possible question about that. The meat packing industry will be destroyed. What is happening in some other places? I have taken a clipping from the Ottawa 'Citizen' of February 25th, which has since been confirmed by other information. It is not a political article, but a Canadian press cable, and it is as follows:

"London, Feb. 25.—A despatch to the 'Chronicle' from Melbourne says the federal Minister of Trade and Customs declares that the Australian commonwealth will spare no expense to 'oppose sinister operations of the American meat trust in seeking to control the Anstralian trade.'"

The American meat trust in Anstralia and New Zealand is so sinister in its operations that the Government of the commonwealth has to take the field against it, and we are here taking down the barriers and inviting it to come in and dominate the markets of Canada. That trust will oppress our farmers, it is not a beneficent institution, it is not a philanthropic institution, and when it dominates the market, we will say of Ontario, and any hon. gentleman on this side of the House or on the other side of the House finds that the farmers of his constituency are not getting fair play in the matter of prices, may I ask what that gentleman will do, may I ask what his remedy will be, may I ask how he is going to apply that remedy if he has any? I do not know what the remedy will be. The head office of your trust will be in Chicago or New York, it will be outside of our jurisdiction and there is only one thing we could do, just one thing—we could put the duty back where it is now and start all over again to build up the local industries which we are threatening to destroy.

SUIT UNITED STATES.

The whole tendency of this arrangement is to induce the farmer to adapt his raw product to the United States market. The whole tendency is to do away with the by-products which are so essential for intensive farming, the whole tendency is to break down the system of interrelated industries which makes the present prosperity of the province of Ontario and the other provinces. Under that system, Mr. Chairman, brought about by the policy which my hon. friends upon the Treasury Benches have pursued for the last 13 years, the great province of Ontario raised \$250,000,000 worth of farm produce last year and nobody heard that

there was no market for any of that produce.

Take the province of Quebec—my hon. friend the Minister of Agriculture is going to follow me, I believe, and he, of course, knows infinitely more about farming in the province of Quebec than I do—but I am going to ask him to address himself to one question in connection with this agreement, because I have not been able to get any light on it in favour of the treaty, and if there is any light to be thrown on it I would like to get it. The province of Quebec has bright prospects before it at the present time. Our transportation system is growing so enormously; the city of Montreal is growing so enormously; the prospects of the pulp and paper industry are so good that unquestionably in the province of Quebec in a few years there will be an enormous home market—perhaps the largest home market of any province in the Dominion.

FARMING IN QUEBEC.

The province is not very well farmed at the present time—there is good farming in some parts of it, there is poor farming in a good portion of it, and moderate farming in other portions of it. The agricultural problem of the province of Quebec is to induce the farmer to keep his hay at home and to follow a system of intensive farming. This is the agricultural problem of the province of Quebec. Lately we had the Deputy Minister of the Department of Agriculture for Ontario at Quebec; he came there at my special request to deliver a carefully prepared address upon the subject of the improvement of agriculture in the province of Ontario, explaining at great length and with great care the magnificent system of agricultural education and improvement which has lately developed in the province of Ontario as the result of 20 or 25 years of laborious work, which is now approaching its period of fruition in that province and beginning to have its influence felt.

SITUATION IN NORTH WEST.

We wanted it explained in Quebec city, and we had it explained, and we are printing thousands of copies of Mr. James' address in the French language and circulating them in the province of Quebec for the purpose of getting the authorities of the province of Quebec to undertake an aggressive movement for the improvement of agriculture. What happens—comes along this treaty and puts a bonus on poor farming by inducing the farmers of the province of Quebec to ship their raw products to New England, and deplete the fertility of their soil.

Take the prairie provinces—I am perfectly aware of the fact that there are a great many people in the western provinces who

think that this treaty will be a great thing for them. I have before seen premature conclusions arrived at in the course of 23 years in public life during which I have had an experience that not many members of the House have had because I have the honour of representing to-day in this House the same people who elected me first as a young man to the Legislature of Manitoba, and in the Legislature or in this Parliament I have been their representative ever since. During that time I have seen a good many questions of this kind come up as to what was going to benefit the farmer and as to what would be in his interests, and I am not so sure, when this question comes to be discussed, that the farmers of the North West will be impervious to reason and common sense and good judgment when they get the case put before them.

IS J. J. HILL RIGHT?

It was first said: But the farmer of the North West is going to get more for his wheat; the price of wheat south of the line in Dakota is higher than it is in Manitoba. That is true. It is a little higher; it always or nearly always rules a little higher, and they said: If the farmer can get into that market he will get more for his wheat. Now comes along Mr. Hill, the president of the Great Northern Railway, who is a great advocate of reciprocity and a very fine man and in a way a friend of my own, and he says: The duty does not make any difference; it is true the Dakota farmer gets a little more for his wheat, but it is not on account of the duty, it is on account of the local circumstances. Now, Mr. Chairman, Mr. Hill is either right or he is wrong; there are just two ways to look at it. If he is right and the duty does not make any difference, then the Manitoba farmer will not get any more for his wheat when the duty is taken off. That's clear. If he is wrong and the duty does make a difference what is going to happen? Why, what is going to happen is this: That so soon as the immense exportable surplus of the Canadian North West is let into the Dakota market then the Dakota man's wheat goes down to the export level, and the Dakota man gets less, but the Manitoba man does not get any more. There is no doubt about that; it has happened already. Here is the New York "Evening Post" of February 16, and as everybody knows the New York "Evening Post" is a most reliable paper, and this is what it says, speaking of wheat:

WHEAT WILL GO.

"As matters stand now values are off over 24 cents from the season's top. The range on May wheat this season has been from \$1.15 to 90¢ cents, the highest price having been made November 4. With the adoption of the treaty there would be about

13,000,000 bushels of Canadian wheat now in sight which would be available for moving into the United States, provided it is needed. This, with the 43,000,000 bushels in the United States visible supply, would make 56,000,000 bushels available. Part of the Canadian wheat has already been hedged by sales of futures in the different markets and considering the drop of 12 cents in a month, it would seem as though any possible effect of the treaty on values had been largely discounted.

There is, however, another factor to be considered in the shape of a surplus of 133,000,000 bushels in the United States that must be taken care of. This means that values must go to an export level at which a liberal disposition of the wheat can be made. With the adoption of the Canadian treaty it is expected that the prices will be kept on an export level most of the time."

Of course, nobody would suggest that it went down all of 12 cents by reason of the difference between the markets on the two sides, or by reason of the difference between the Dakota price and the export price, but everyone knows that when the price of wheat gets a shock in that way it keeps on going down on account of the panic on the market.

WILL GET LESS FOR WHEAT.

There is no doubt about the position so far as the price of wheat is concerned. I say here that I deliberately give it as my opinion, representing a constituency of Manitoba farmers and having represented them for 23 years, that the Manitoba farmer will get less for his wheat in the long run as the result of this agreement.

Now, what have we been trying to do for years past in regard to this question of wheat? We have been trying to keep the wheat of the Manitoba farmer pure. We had an Inspection Act—upstairs in the House of Commons here we laboured for weeks, yes for months to get that Inspection Act into good order so that the wheat might be properly inspected and properly graded, with the object that it should be kept pure and placed upon the English market in a pure condition. And why? Because we know that if the Canadian wheat is put upon the English market in a pure condition it will bring on an average of from three to four cents per bushel on the higher grades, more than any other wheat in the world. A few years ago we revised the Inspection Act, and the result was that our wheat was put upon the market pure for a year or two, but somebody found out how to get around the Act, and the grades began to go off, and the grades have been off for several years past, and the farmers have been complaining and properly complaining in regard to the condition of things in the terminal

elevators. These terminal elevators have been in the hands, to some extent, of men who are themselves buying and selling grain and handling millions of bushels of other people's grain, while they were buying and selling their own.

GOOD GOVERNMENT POLICY.

What happened—grain mixed, grades have gone down, and the farmers have lost and lost very heavily, and they have a just and proper right to complain. Now, the Government has introduced in the Senate a bill to appoint a commission for the purpose of taking charge of that wheat, and I believe the Government policy is good. And if the commission takes charge of this business as they ought to there is no reason why they should not keep control of that wheat. And, Sir, they can only solve the trouble by taking control of the elevators first, not owning them, but controlling and inspecting them properly and keeping control of the wheat right through until it gets to Liverpool. There is no other way. It is not difficult; it is not half as difficult as it looks; it can be done by a competent commission without any trouble at all. And, in addition to that, if that is done the commission in the working out of the system by which they can do that, can give a very substantial preference to the Canadian routes so that we will get advantages in that way as well, and they can give advantages to the Canadian routes without it costing any more to get the wheat to Liverpool.

CHEAPER RATES NEXT.

If we manage to keep control of that wheat and that market, we shall be able to get for the western farmer, by a proper system of handling, a better price than he will get in any other possible way. More than that, with the increase in the volume of business from the Canadian North-west, our railroads will in a short time be in such a position that we can reasonably ask to have the rates substantially reduced on export grain; so that instead of the Canadian farmers getting a bonus of three cents a bushel for sending their wheat by the eastern Canadian channels, as was tentatively suggested by the hon. member for St. Antoine if the inspection and transportation matters are properly handled by the commission which is to be appointed by the Government, and the question of the freight rate is dealt with, we will not secure for them within a reasonable time, not three cents a bushel, but six or seven cents a bushel more than they can get in any other possible way. But if that is to be done, you must keep the control of the trade in your own hands, otherwise you can do nothing.

Now, what is to happen? I wonder if my hon. friends of the Government have thought

of that, in connection with this treaty. The Grain Exchange has met in Winnipeg and has passed a resolution to the effect that the Inspection Act must be changed. What must be done under this treaty? We must change the Inspection Act, and we must make the grades the same as the American grades; that is, we must permit of mixing; and to all intents and purposes, we must hand the control of our grain market over to Minneapolis. That is the position. To get a better price? No.

BEGINNING CATTLE TRADE.

Then there is the question of cattle and that is one question in respect of which there is no doubt that the farmer will get a benefit under this agreement, for the present at least. There is no doubt that the market for the second grade of cattle in the prairie provinces is a poor market at the present time—why? Because it is a new country. It is only a short time since the country was sufficiently settled to have a sufficient production to organize this business. In fact, we have hardly got to that point yet. The result is that there is at the present time a very poor market for cattle in the western provinces. But that is no reason for throwing the country away, or for considering that we can never have a market. That is a reason for taking up the subject and dealing with it in an intelligent way. The farmers' delegation, which came here recently, said to the Government:

"We wish also to draw attention to the danger we are in while we leave the opportunity open to the United States meat interest to capture and control the export trade from our country."

WE MUST ORGANIZE.

What are they going to do now? They will capture and control all the cattle of the North West—the very last hoof will be controlled from Chicago. What I say is, that we should establish a chilled meat industry. It has been done in Australia and New Zealand. Dr. Rutherford has reported in favour of it. There would be no great difficulty in the Government doing this, and it would be worth while taking the trouble when you have a country like the North West of Canada. We could afford to hire ten men at \$10,000 a month rather than lose this business. The members of this House know that I am an enthusiastic friend of the North West. The best years of my life were given to the settlement of that country, and I cannot tell you how I feel about that great country being made a backyard to the city of Chicago. I have differed with my friends in my own constituency, and I do not know, but that there are many men who have supported me for years, who differ with me on this subject; but I take

the liberty of thinking that I know as much or more about it than they. I have studied these questions all my life, with the object of learning the way in which the affairs of that country should be organized so as to be of some benefit to themselves and the rest of the country, and I say that we should organize that country in a business way. If we do so, we shall have duplicates of the stock yards of Kansas City, Omaha and Chicago in our own North West.

SOME GENERAL EFFECTS.

What is the general effect of this treaty? The general effect is that we put the Dominion of Canada on an absolutely free trade basis, so far as farm products are concerned. The farmers of Canada are on a free trade basis for what they buy—protection for the purchaser, free trade for the seller. Do you think they are likely to stand that for any length of time? I do not. I tell you, that if you have had delegations from the North West, you will have them again if this treaty goes through. After it has been in force for a few years, I venture to say that there will not be any question of the duty on agricultural implements or on any other manufactured goods, for we shall be compelled to take all those duties off, and have practically commercial union with the United States. As men of common sense, let us apply to this question the same business rules that we apply to any other business matter. We open our market to the world. Read the list of favoured nations along with the United States. If there is in that list of countries anybody who can raise any one of the commodities in this list, cheaper than it is in Canada, unsaleable and unmarketable at home, it can be shipped and dumped into the Dominion of Canada. I cannot conceive of what our friends in the Government were thinking. I leave this question of markets and prices, and record my conviction, that if ever a Government made a monumental mistake, if ever a Government got in wrong on a subject from first to last, my hon. friends have got in wrong on this subject. The House may think that I am very much in earnest about it. Sir, I would not break away from the political party with which I have acted for 23 years, practically all my life, if I were not in earnest about it.

THE COMMONEST PHRASE.

What is the commonest phrase in the mouths of the people of Canada? We hear it in the speeches of public men, we read it in the editorials of newspapers; we even see it in the compositions of our school boys—what is it? "Binding the scattered provinces of Canada together." I would like to know if this treaty is intended to bind the scattered provinces of Canada together.

IF WE ACCEPT THE TERMS WE MUST PAY THE PRICE.

It binds, but it binds the other way; it binds British Columbia to Oregon and to Washington and to California; it binds the provinces of the North West to the states immediately to the south of them; it binds Ontario and Quebec to the states south of us; and it binds the maritime provinces to the state of New England. And we are expected to believe that a policy of that kind is a broad national policy, one to promote a broad and strong nationality. What have been the main features of our transportation policy? We have spent scores of millions of dollars for what purpose? What has been in our mouths at all times, Liberals and Conservatives alike, on every platform? Send our goods through Canadian channels, from one province to another, and from the eastern provinces across the sea. What did Sir John A. Macdonald mean when he nailed his colours to the mast and said that the Canadian Pacific Railway must be built around the north shore of Lake Superior, and appealed to the people of Canada on that policy and got their support? My right hon. friend the leader of the present Government later came before this House and said: We shall build another line of railway from ocean to ocean, every foot of it on Canadian soil, and he appealed to the people of this country for their support, and they supported him in doing it. They said: Yes, we believe in that policy. Why should we turn from that policy now?

WHERE TRAFFIC GOES.

If it does not make any difference which way the traffic goes, why spend \$50,000 or \$60,000 or \$133,000 per mile to build a railway from Quebec through to Moncton and duplicate the Intercolonial, which we had before? Why do that, if it does not make any difference whether or not the traffic goes through on Canadian soil? For my part, I can see no reason. What is the reason for the right hon. gentleman's change of view? I could take the "Hansard" and read to you the strong words of the right hon. gentleman when he said, in this House, that of all things in connection with the policy of Canada as related to the United States, the one thing we must do was to be independent of the Americans. That is a policy, Sir, which I believe in. He never said a word in the whole course of my close association with him with which I agreed more fully than I did with that statement, but the difference is that I believed it then and I believe it now, and so long as I have the honour to have anything to say about the public affairs of Canada in the most humble capacity I shall continue to support what I believe to be the loyal policy that the people of Canada desire to have followed.

DRIVE OUR MILLERS OUT.

We know why the other policy is being supported. We know why the milling trust

of St. Paul and Minneapolis are in favour of this proposal; it is because they want to get the hard wheat of the Canadian North West without paying duty and drive our millers out of the export market. That is just as easy as adding two and two together. The North West miller of the United States gets \$2 or \$3 a ton more for his offal than the miller in Canada, and that makes the difference; the Canadian miller has no chance in the world in the competition which is brought about in this way. The North West miller of the United States would get the wheat free now if he could. The meat trust would get meat free if they could. We have often been told that they might take the duty off if they wanted to, but they cannot take the duty off, because they have a population of farmers who do not propose to permit these gentlemen to manipulate the duties to suit themselves.

IN POWER OF THE UNITED STATES.

We understand why the milling people would want this arrangement in regard to transportation, why the meat trust would want it and why the United States Steel Corporation want to get into our markets. We can understand why the Chamber of Commerce in New York, always in favour of reciprocity, should favour this arrangement, because in this last year they have been conducting an inquiry to ascertain why Montreal has been growing so rapidly and becoming a rival of theirs in connection with the export trade. We know why it is that the New England States, looking jealously upon the commercial development of our St. Lawrence route, should support this treaty to get the great trade which is building up Montreal and the St. Lawrence route down by their own channels. But can anybody in the world tell why a Canadian, devoted to the interests of Canada should support the arrangement which we have here?

What will be our future relations with the United States? I read the argument presented by the hon. member for North Toronto (Mr. Foster) upon that aspect of the case. I see no possible answer to it. It seems to be perfectly clear to me that every day in which we adapt ourselves to the markets of the United States, that every day in which we cater to those markets, that every day in which we adapt all our arrangements to catering to that market, strengthens the grip of the United States upon Canada.

SHOOK CLUB 30 YEARS.

And while everybody repudiates as absurd the idea of any conscious interference either with our political independence, or with our commercial independence, I do not believe that if this treaty goes into effect there will ever again, so long as it goes on,

be a revision of our tariff in which United States interests, United States lobbyists, and United States pressure will not be brought to bear on this parliament. What is the only possible effect? The only possible effect is domination of the smaller by the larger, and if you say you do not think there is any danger of any domination, I say that I think the domination has come now, that we have it in the discussion of this treaty. How did it get here, what brought it about? For 30 years the United States had nothing to say to us, and then, when we have finally, definitely won our commercial independence and put ourselves into such a position that we were perfectly independent, what happened? They shook a club over our heads, they threatened a surtax. It was threatened a year ago. Then our friends of the Government were asked to make concessions in order that this surtax might be avoided. The Government made some concessions. I think they were very trifling in character; I do not think they were of much importance, but I do think it would have been as well if the Government had stood its ground at the start. Nevertheless, we all know that in international matters it is necessary to leave a great deal to the Government. You cannot know everything that passes, and you must leave a great deal to the discussion of the Government in international matters. But I am prepared to say now that I think we all made a mistake. I think the time to have stood our ground was the first time the club was flourished.

FROM BRITAIN TO THE UNITED STATES

What has been the history of our relations with the United States? For the last 30 or 40 years we have been ignored and buffeted by them, and during all that time we have taken our way secure, firm, serene under the strong arm of the British Empire. Now we come to the point when we are of some use; we are just beginning to be of some use. Up to nearly the present time we have been more or less of a nuisance to the empire; now we are beginning to get to the point when we add something to the prestige of the British Empire, to the point when, if necessary, we can send some men, or some ships, or some money; we can be of some use to the empire that has given us our liberties and all the traditions of our citizenship. When we get to that point what happens? The United States beckons from Washington and we are asked, the first time anybody beckons, to turn from the path that leads to the capital of the empire, and to turn towards the path that

leads to Washington. I say, so far as I am concerned: Not for me.

What is the reason, I ask you gentlemen of this committee, representatives of the Canadian people, trustees of the Canadian people, of their highest and their best rights and liberties, I ask you what is the reason that is being put forward by the representatives of the people of the United States for proffering to us the terms which they are giving.

ON TO ANNEXATION.

There is Representative Clark, of the Democratic party. I decline to discuss for a second the suggestion that he was not speaking seriously. If it had not been for Mr. Clark and the Democratic party this treaty never would have got through the House of Representatives. It was he who put it through; let him speak for himself. He says that he and his party are in favour of this proposal because it leads to annexation. What did Mr. Taft, the leader of the Republican party, say? The Dominion of Canada is a strong country; it has a great storehouse of natural resources. He says it has been pursuing a strong and successful policy of development, but it has got to the parting of the ways. He says: Now, before the Dominion of Canada is irrevocably fixed in the policy which leads to the consolidation and the strengthening of the British Empire, we must turn her from her course. Is there any dispute about it? It cannot be disputed. I say to my hon. friends of the Liberal party, as well as to my hon. friends of the Conservative party: Stop and think; you are all grown men, you are all men of wisdom and discretion. Is it a safe thing for the representatives of seven and a half millions to say to the representatives of ninety millions of people: You may say what you like; we will take your terms, but we will not pay the price? Sir, for my part, I say that I do not think such a course is wise, and I do not think it is possible. I say that if we accept the terms we shall assuredly be called upon to pay the price.

MOST ENVIABLE COUNTRY.

Sir, I oppose these resolutions, because, in my judgment, they reverse the great and successful policy under which the people of Canada, fighting against poverty, against natural obstacles, against geographical conditions, have made of their country one of the most enviable in the world. These resolutions, in my judgment, spell retrogression, commercial subordination, the destruction of our national ideals and displacement from our proud position as the rising hope of the British Empire.

